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August 30, 1999

#### HAND DELIVERED

Magalie Roman Salas, Esq.
Commission Secretary
Federal Communications Commission
Portals II
445 12th Street, S.W.
Suite TW-A325
Washington, D.C.

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Re:

Joint Reply Comments of Choice One Communications Inc. and

GST Telecommunications, Inc.

In the Matter of Numbering Resource Optimization, CC Docket No. 99-200,

RM No. 9258, NSD File No. L-99-17, NSD File No. L-99-36

Dear Ms. Salas:

Enclosed for filing with the Federal Communications Commission ("Commission") is an original and four copies of the Joint Reply Comments of Choice One Communications Inc. and GST Telecommunications, Inc. Pursuant to the Commission's May 27, 1999 Notice of Proposed Rulemaking, these comments also are being submitted under separate cover to Mr. Alvin McCloud of the Commission's Network Services Division.

Also enclosed is an extra copy of this filing that we request be date-stamped and returned to us. Thank you for your assistance in this matter. Should you have any questions concerning these comments, please do not hesitate to contact me at (202) 424-7500.

Sincerely,

Dana Frix 614

Counsel for

Choice One Communications Inc. &

GST Telecommunications, Inc.

Enclosure

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# Before the Federal Communications Commission Washington, D.C. 20554

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In the Matter of	AUG 3 0 1999
Numbering Resource Optimization	) CC Docket No. 994200 COMMAND OF THE PROPERTY
Connecticut Department of Public Utility Control Petition for Rulemaking to Amend the Commission's Rules Prohibiting Technology- Specific or Service-Specific Area Code Overlays	) RM No. 9258 )
Massachusetts Department of Telecommunications and Energy Petition for Waiver to Implement a Technology-Specific Overlay in the 508, 617, 781, and 978 Area Codes	)
California Public Utilities Commission and the People of the State of California Petition for Waiver to Implement a Technology-Specific or Service-Specific Area Code	) NSD File No. L-99-36 ) )

JOINT REPLY COMMENTS OF CHOICE ONE COMMUNICATIONS INC. AND GST TELECOMMUNICATIONS, INC.

Choice One Communications Inc. ("Choice One") and GST Telecommunications, Inc. ("GST"), by undersigned counsel, hereby file their Joint Reply Comments regarding the Federal Communications Commission's ("FCC's" or "Commission's") Notice of Proposed Rulemaking ("NPRM") in the above-referenced proceeding. Choice One and GST wish to reiterate their belief that a coordinated federal effort to address numbering conservation is essential to ensure that a uniform competitively-neutral standard is enacted. As evidenced by the widely divergent comments submitted by the State commissions, increased delegation of authority over numbering conservation to states invites confusion and inconsistency. In addition, Choice One and GST urge the FCC to reject any numbering conservation initiative that would create barriers to effective competition.

## I. A UNIFORM NATIONAL SYSTEM MUST BE ESTABLISHED TO ADDRESS NUMBERING CONSERVATION

The majority of commentors agree that numbering conservation will be most effective if it is coordinated at the national level by the North American Numbering Plan Administrator ("NANPA"). Choice One and GST agree that a national system coordinated by NANPA will ensure uniformity and increase effectiveness.

## A. State Commissions Must Not Be Given Authority To Deviate From National Standards.

Several State commissions have asked for the authority to depart from national standards when the State commission believes that it is warranted by local circumstances.<sup>2</sup> Allowing State

<sup>&</sup>lt;sup>1</sup> In the Matter of Numbering Resource Optimization, CC Docket No. 99-200, Notice of Proposed Rulemaking, rel. June 2, 1999 ("NPRM").

<sup>&</sup>lt;sup>2</sup> States commissions have asked for discretion to depart from national rules in the following areas: utilization rates (See e.g. NY DPS Comments at 7; Ohio PUC Comments at 18-

commissions to depart from national standards would create confusion by forcing national companies to comply with what could possibly become 50 different sets of rules. Besides the obvious disadvantage in having conflicting sets of rules, allowing State commissions broad discretion will also hinder competition by creating an administrative burden on new entrants who may not have the resources to track even several distinct approaches to numbering.

In order for it to have any benefit, a national policy must be followed uniformly. If given the discretion to opt out of national policy, State commissions would be under tremendous pressure to depart from the national policy in their state so as to alleviate local problems, even if such action is not in the best interest of the nation as a whole.<sup>3</sup> This approach will minimize any gains made by initiatives such as numbering pooling and rate center consolidation. Only a national policy administered by the NANPA can slow number exhaustion while maintaining an effective competitive market.

## II. NUMBERING CONSERVATION MUST BE ENACTED IN A COMPETITIVELY NEUTRAL MANNER

Choice One and GST strongly oppose the implementation of a pricing system that would charge a fee for the use of NXX codes. A pricing system would stifle competition without having

<sup>19);</sup> reporting requirements (See State Commissions Outline at Q71-72); frequency of reports (See State Commissions Outline at Q65-67); audits (See e.g. Ohio PUC Comments at 22; CT DPUC Comments at 7; WI PSC Comments at 9); contamination level of number blocks; (See CA PUC Comments at 35); and sequential numbering (See State Commissions Outline at Q173-178).

<sup>&</sup>lt;sup>3</sup> Several commentors have shown good examples of State commissions' tendency to take action that is harmful to national numbering conservation. *See, e.g.* AT&T Comments at 65 (Arizona decided to initiate a 3-way split that forced CLECs to obtain unnecessary NXX codes or force customers to change telephone numbers).

the benefit of slowing number exhaust. Under the current system, a new entrant needs to acquire large amount of numbers in order to establish a footprint. This need would not change if a pricing system was adopted. New entrants often times have limited financial resources. Any additional expense, such as a pricing scheme for NXX codes, would necessarily restrict the amount of new entrants that will have sufficient financing to enter new markets. Adopting a pricing scheme would also make it more difficult for new entrants that are trying to compete against incumbent carriers to remain competitive. A pricing scheme is an unnecessary and radical proposal that will slow competition, not slow number exhaust.

Competition may also be hindered if the FCC makes it overly burdensome for carriers to obtain new NXX codes. Increasing the regulatory hurtles that a new entrant must complete before being able to obtain NXX codes creates a disincentive for carriers to begin or expand their services. Increasing the difficulty of obtaining new NXX codes also has no lasting effect on numbering conservation since a system designed to reclaim unused NXX codes already exists. Reclaiming unused numbers is a more competitively-neutral way to promote efficient use of NXX codes.

III. **CONCLUSION** 

Choice One and GST believe that an effective national numbering conservation plan can be

adopted without creating impediments to competition. Therefore, Choice One and GST urge the

FCC to reject any proposals that would make it more difficult for new entrants to compete.

Numbering conservation is a national problem that must be coordinated at the national level to

promote consistency and uniformity. Allowing State commissions to have discretion to deviate from

national standards defeats the purpose of adopting such standards. Choice One and GST urge the

FCC to refuse to delegate authority to opt out of national policy to the State commissions.

Respectfully submitted,

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Dated: August 30, 1999

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